

APPENDIX C: PROJECT AREA BUDGET

Key elements of the draft Project Area Budget are described below. These details are subject to approval by the taxing entity committee and may change.

Base Taxable Value

The base taxable value is the year 2015 value of \$12,220.

Projected Amount of Tax Increment to be Generated Within the Project Area

Property Tax Increment. Incremental property taxes will be distributed to the Agency over a period of 20 years. The total amount of property tax increment projected to be generated within the Project Area over 20 years is \$217.7 million. A portion of this amount is intended to be distributed to the Agency over a 20-year period.

TABLE 5: INCREMENTAL PROPERTY TAX REVENUES FOR 20 YEARS

Incremental Tax Revenues - 100%	20 Years Total	NPV*
Salt Lake County	\$45,639,610	\$28,422,617
Jordan School District	\$111,257,680	\$69,287,060
West Jordan City	\$36,443,690	\$22,695,747
South Salt Lake Mosquito Abatement	\$307,610	\$191,568
Jordan Valley Water Conservancy	\$6,476,000	\$4,033,007
Central Utah Water Conservancy	\$6,556,950	\$4,083,420
Salt Lake County Library	\$11,057,770	\$6,886,359
TOTAL	\$217,739,310	\$135,599,778

*Net present value uses a discount rate of four percent.

Project Area Funds Collection Period

The collection period is 20 years.

Projected Amount of Tax Increment to be Paid to Other Taxing Entities

Over the 20-year period, the taxing entities will receive nearly \$34 million more in property tax revenues than they are currently receiving from the base year taxable value revenues.

TABLE 6: INCREMENTAL PROPERTY TAX REVENUES FOR 20 YEARS TO TAXING ENTITIES

Taxing Entities	20 Years Total	NPV* Years 1-20
Salt Lake County	\$7,095,599	\$4,605,800
Jordan School District	\$17,297,254	\$11,227,761
West Jordan City	\$5,665,908	\$3,677,778
South Salt Lake Mosquito Abatement	\$47,824	\$31,043
Jordan Valley Water Conservancy	\$1,006,825	\$653,537
Central Utah Water Conservancy	\$1,019,410	\$661,706
Salt Lake County Library	\$1,719,154	\$1,115,914
TOTAL	\$33,851,974	\$21,973,540

*Net present value assumes a discount rate of four percent

In addition, West Jordan City and Salt Lake County will receive incremental sales tax revenues over the 20-year period and West Jordan City will receive incremental municipal energy tax revenues.

The Percentage of Tax Increment the Agency is Authorized to Receive

Property Tax Revenues. The Agency anticipates receiving a portion of the incremental property taxes for a period of 20 years. The Agency is authorized to receive 75 percent of the property tax increment for phases 1 and 2 of the project, which constitute an investment of \$500 million. The Agency is authorized to receive 85 percent of the tax increment for phases 3 and 4 of the project, which constitute an additional investment of \$500 million. The Agency is further authorized to receive 100 percent of the tax increment for phases 5 and 6 of the project, which constitute an additional investment of \$500 million. The Project Area will expire 20 years after the trigger date for the first phase; therefore, later phases may not receive tax increment for the full 20 years.

TABLE 7: INCREMENTAL PROPERTY TAX REVENUES FOR 20 YEARS TO AGENCY

Incremental Tax Revenues to Agency	Total Years 1-20	NPV* Years 1-20
Salt Lake County	\$38,544,011	\$23,816,817
Jordan School District	\$93,960,427	\$58,059,299
West Jordan City	\$30,777,782	\$19,017,969
South Salt Lake Mosquito Abatement	\$259,786	\$160,525
Jordan Valley Water Conservancy	\$5,469,175	\$3,379,470
Central Utah Water Conservancy	\$5,537,540	\$3,421,714
Salt Lake County Library	\$9,338,616	\$5,770,445
TOTAL	\$183,887,336	\$113,626,239
*Net present value assumes a discount rate of four percent		

Administration Costs

The Agency is requesting that approximately two percent of revenues received be set aside for administrative purposes. The Agency has set a fixed amount of \$180,000 per year for administrative costs.